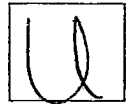


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



WS-04235A  
Utility Source, L.L.C. — water  
721 E. San Pedro  
Gilbert, AZ 85234

**RECEIVED**

MAY 15 2007

AZ CORP COMM  
Director Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

5-18-07

SCANNED

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Utility Source, LLC</u>			
<b>Mailing Address</b> <u>721 E San Pedro</u>			
<u>Gilbert</u> <u>AZ</u> <u>85234</u>			
<u>(City)</u> <u>(State)</u> <u>(Zip)</u>			
<u>(480)892-8756</u>		<u>(480)892-3387</u>	
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
<b>Email Address</b> _____			
<b>Local Office Mailing Address</b> <u>N/A</u>			
<u>(Street)</u>			
<u>(City)</u> <u>(State)</u> <u>(Zip)</u>			
<u>(480)892-8756</u>		<u>(480)892-3387</u>	
Local Office Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
<b>Email Address</b> _____			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>Wendy Ferguson</u> <u>CWO</u> <u>(Operator)</u>			
<u>(Name)</u> <u>(Title)</u>			
<u>297 Antelope Dr</u>		<u>Sedona</u> <u>AZ</u> <u>86336</u>	
<u>(Street)</u>		<u>(City)</u> <u>(State)</u> <u>(Zip)</u>	
<u>(928) 203-2254</u>		<u>(928)203-2092</u>	
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
<b>Email Address</b> _____			
<b>On Site Manager:</b> <u>Jeremy McCaleb</u>			
<u>(Name)</u>			
<u>4711 N Bellemont Springs</u>		<u>Bellemont</u> <u>AZ</u> <u>86015</u>	
<u>(Street)</u>		<u>(City)</u> <u>(State)</u> <u>(Zip)</u>	
<u>(928)699-2226</u>		<u>(928)699-2226</u>	
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
<b>Email Address</b> _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Sallquist & Drummond, P.C. Richard L. Sallquist  
 (Name)

2525 E Arizona Biltmore Circle, #A117 Phoenix AZ 85016  
 (Street) (City) (State) (Zip)

(602) 224-9222  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Attorney:** SAA  
 (Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address**

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                     |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)       | <input checked="" type="checkbox"/> Limited Liability Company             |
| <input type="checkbox"/> Other (Describe) _____ |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input checked="" type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE            |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE              |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL               |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA                |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	210,000	-0-	210,000
304	Structures and Improvements	109,250	5,462	103,788
307	Wells and Springs	2,343,407	152,423	2,190,984
311	Pumping Equipment	161,494	40,374	121,120
320	Water Treatment Equipment	5,487	366	5,121
330	Distribution Reservoirs and Standpipes	345,000	15,318	329,682
331	Transmission and Distribution Mains	147,200	5,888	141,312
333	Services	86,250	5,744	80,506
334	Meters and Meter Installations			
335	Hydrants	34,500	1,380	33,120
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>3,529,988</b>	<b>235,695</b>	<b>3,294,293</b>

This amount goes on the Balance Sheet Acct. No. 108 

Power Generation Equipment      87,400      8,740      78,660

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	210,000		-0-
304	Structures and Improvements	109,250	2.5 %	2,731
307	Wells and Springs	2,343,407	3.33 %	78,035
311	Pumping Equipment	161,494	12.5 %	20,187
320	Water Treatment Equipment	5,487	3.33 %	183
330	Distribution Reservoirs and Standpipes	345,000	2.22 %	7,659
331	Transmission and Distribution Mains	147,200	2 %	2,944
333	Services	86,250	3.33 %	2,872
334	Meters and Meter Installations			
335	Hydrants	34,500	2 %	690
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>3,529,988</b>		<b>119,671</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

Power Generation Equipment

87,400

5 %

4,370

**BALANCE SHEET**

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 1,882.89	\$ 390.52
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	20,039.24	23,350.33
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		7,000.00
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 21,922.13	\$ 30,740.85
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 3,420,464.00	\$ 3,529,987.77
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	( 116,024.00 )	( 235,695.00 )
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 3,304,440.00	\$ 3,294,292.77
	<b>TOTAL ASSETS</b>	<b>\$ 3,326,362.13</b>	<b>\$ 3,325,033.62</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 623.13	\$ 180.66
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 623.13	\$ 180.66
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 623.13	\$ 180.66
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	( 166,220.13 )	( 309,756.79 )
218	Proprietary Capital (Sole Props and Partnerships)	3,491,959.13	3,634,609.75
	<b>TOTAL CAPITAL</b>	\$ 3,325,739.00	\$3,324,852.96
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$3,326,362.13</b>	<b>3,325,033.62</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 59,266.12	\$ 75,060.84
460	Unmetered Water Revenue	23,723.20	25,622.81
474	Other Water Revenues	1,657.42	3,540.76
	<b>TOTAL REVENUES</b>	<b>\$ 84,646.74</b>	<b>\$ 104,224.41</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	36,292.25	49,212.29
618	Chemicals	530.16	627.26
620	Repairs and Maintenance	8,746.78	8,706.55
621	Office Supplies and Expense	4,292.25	11,189.47
630	Outside Services	20,630.38	30,373.91
635	Water Testing	8,552.61	5,190.50
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		9,402.13
675	Miscellaneous Expense	30,722.13	10,241.98
403	Depreciation Expense	116,024.00	119,671.00
408	Taxes Other Than Income		
408.11	Property Taxes	1,564.32	3,145.98
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 227,354.88</b>	<b>\$ 247,761.07</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ ( 142,708.14 )</b>	<b>\$ (143,536.66)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ ( 142,708.14 )</b>	<b>\$ (143,536.66)</b>



**COMPANY NAME** Utility Source, LLC

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year \$ \_\_\_\_\_

<b>COMPANY NAME</b>	Utility Source, LLC
<b>Name of System</b>	<b>ADEQ Public Water System Number (if applicable)</b>

## **WATER COMPANY PLANT DESCRIPTION**

### **WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-203241	125 hp	72 gpm	2,801'	10"	2"	2004
55-598834	50 hp	23 gpm	2,100'	8"	2"	2003
55-593267	10 hp	11 gpm	1,947'	8"	2"	2002
55-559096	2 hp	7 gpm	240'	6"	2"	1997
See attached for	additional	wells				

\* Arizona Department of Water Resources Identification Number

### **OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
N/A		

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
15 hp	2	34	
75 hp	1		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
42,000 gal	1		
258,000 gal	1		

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

<b>ADWR ID Number</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-598623	2 hp	10 gpm	300'	6"		2004
55-564258	2 hp	12 gpm	300'	7"		1998
55-515324	1 hp	5 gpm	105'	8"		1987
55-503545	1hp	10 gpm	215'	7"		1982
55-206887		371 gpm	2908'	16"		2005

<b>COMPANY NAME</b>	Utility Source
<b>Name of System</b>	ADEQ Public Water System Number (if applicable)

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	C-900	900
8	C-900	14,563
10		
12	C-900	5,860

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	326
1	
1 1/2	3
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

**For the following three items, list the utility owned assets in each category for each system.**

TREATMENT EQUIPMENT: Peristaltic pump for c12 injection

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STRUCTURES: One Pumphouse, 2 well houses & storage facility, 6' retaining wall around facility; 400' in length

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OTHER:

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*Note: If you are filing for more than one system, please provide separate sheets for each system.*

<b>COMPANY NAME:</b> Utility Source, LLC	
<b>Name of System</b>	<b>ADEQ Public Water System Number (if applicable)</b>

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006**

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	350	1,613,000		
FEBRUARY	354	1,648,000		
MARCH	356	1,476,000		
APRIL	356	1,780,000		
MAY	348	1,910,000		
JUNE	351	2,514,000		
JULY	360	3,081,000		
AUGUST	369	2,081,000		
SEPTEMBER	339	2,089,000		
OCTOBER	373	1,600,000		
NOVEMBER	368	1,502,000		
DECEMBER	360	1,340,000		
<b>TOTALS →</b>		<b>22,634,000</b>	<b>**</b>	<b>-0-</b>

(less than)

**What is the level of arsenic for each well on your system?** .003 mg/l  
*(If more than one well, please list each separately.)*

**If system has fire hydrants, what is the fire flow requirement?** 1000 GPM for 2 hrs

**If system has chlorination treatment, does this treatment system chlorinate continuously?**  
☒ (X) Yes                      ☐ ( ) No

**Is the Water Utility located in an ADWR Active Management Area (AMA)?**  
☐ ( ) Yes                      ☒ (X) No

**Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?**  
☐ ( ) Yes                      ☒ (X) No

**If yes, provide the GPCPD amount:** \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

**\*\*These figures not available at this time. To be submitted at a such time that they are available.**

**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

**RECEIVED**

MAY 15 2007

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED  
OF THE

AZ CORP COMM  
Director Utilities

COUNTY OF (COUNTY NAME) <u>Coconino</u>	
NAME (OWNER OR OFFICIAL) TITLE <u>Lonnie McCleve</u>	
COMPANY NAME <u>Utility Source, LLC</u>	

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

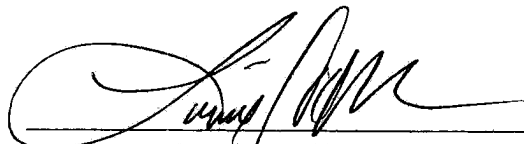
MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
  
(480) 892-8756  
\_\_\_\_\_  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

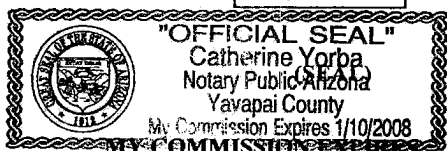
**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

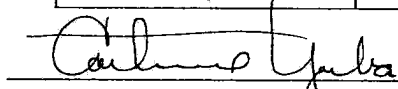
**THIS**

14<sup>th</sup>

**DAY OF**

COUNTY NAME <u>Yavapai</u>	
MONTH <u>May</u>	<u>2007</u>



  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**MY COMMISSION EXPIRES**

1/10/2008

COMPANY NAME Utility Source, LLC YEAR ENDING 12/31/2006

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported -0-  
Estimated or Actual Federal Tax Liability -0-

State Taxable Income Reported -0-  
Estimated or Actual State Tax Liability -0-


Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances -0-  
Amount of Gross-Up Tax Collected -0-  
Total Grossed-Up Contributions/Advances -0-

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

5-14-07  
DATE

Lonnie C. McClellan  
PRINTED NAME

Managing member  
TITLE

**COMPANY NAME** Utility Source, LLC

**YEAR ENDING 12/31/2006**

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2006 was: \$ **3,145.98**

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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RECEIVED

APR 30 2007

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) COCONINO
NAME (OWNER OR OFFICIAL) TITLE GARY BULECHEK
COMPANY NAME UTILITY SOURCE, LLC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 110,899.51

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 6,576.07  
IN SALES TAXES BILLED, OR COLLECTED)

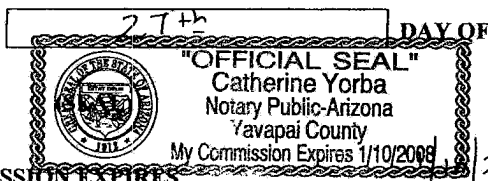
**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Gary Bulechek  
SIGNATURE OF OWNER OR OFFICIAL  
(480) 892-8756  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



COUNTY NAME	Yavapai	
MONTH	April	2007

Catherine Yorba  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

2008

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE**  
Intrastate Revenues Only

**RECEIVED**

APR 30 2007

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) COCONINO	
NAME (OWNER OR OFFICIAL) GARY BULECHEK	TITLE MEMBER
COMPANY NAME UTILITY SOURCE, LLC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 92,428.94

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 5,450.21  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.



SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

27<sup>th</sup>

DAY OF

NOTARY PUBLIC NAME Catherine Yorba	
COUNTY NAME Yavapai	
MONTH April	2007

(SEAL)

MY COMMISSION EXPIRES

1/10/2008



*Gary Bulechek*  
SIGNATURE OF OWNER OR OFFICIAL

(480) 892-8756

TELEPHONE NUMBER

X *Catherine Yorba*  
SIGNATURE OF NOTARY PUBLIC